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FM AMEMBASSY SEOUL
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INFO RUEHBJ/AMEMBASSY BEIJING 0084
RUEHMO/AMEMBASSY MOSCOW 7110
RUEHKO/AMEMBASSY TOKYO 0167
RUEHUM/AMEMBASSY ULAANBAATAR 1067
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UNCLAS SEOUL 000510

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SENSITIVE
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E.O. 12958: N/A

TAGS: [PREL](#) [PGOV](#) [ECON](#) [KS](#) [IN](#)

SUBJECT: INDIAN PRESIDENT'S VISIT FOCUSED ON ECONOMICS

REF: SEOUL 491

SUMMARY

11. (SBU) On February 13, Park Young-shik, Southwest Asia and Oceania Division Deputy Director at MOFAT, told poloff that the February 6-9 visit of Indian President Abdul Kalam resulted in the signing of three documents: (1) a joint statement on the start of negotiations for a South Korea-India Comprehensive Economic Partnership Agreement (CEPA); (2) a joint scientific and technological agreement; and (3) a mutual cooperation agreement on customs procedures. Seoul viewed the visit as meaningful because it refueled bilateral relations, launched a symbolic accomplishment (CEPA), and promoted scientific cooperation. Seoul hopes that the Indian President's visit will lead to a visit by the Indian Prime Minister, although no significant discussions were held on this topic. END SUMMARY.

TALKS TO PROMOTE ECONOMIC COOPERATION

12. (SBU) Park Young-shik, Southwest Asia and Oceania Division Deputy Director at the Ministry of Foreign Affairs and Trade, briefed poloff on February 13 on the February 6-9 visit to Korea by Indian President Abdul Kalam. Noting that the Indian President is a ceremonial head of state, Park said the visit did not reciprocate President Roh Moo-hyun's October 2004 trip to India. Instead, it was simply a vehicle to strengthen bilateral relations. Seoul is eyeing a possible visit by the Indian Prime Minister at some point, but no significant discussions were held during last week's trip. The last Indian Prime Minister who visited Seoul was Prime Minister P. V. Narasimha Rao in 1993.

13. (SBU) Park said Seoul viewed the Indian President's visit as meaningful because the capitals signed three economic cooperation agreements. The most important was agreement to launch negotiations for a South Korea-India Comprehensive Economic Partnership Agreement (CEPA) (see reftel). The two sides will set up a joint governmental task force to meet every two months with the goal of completing discussion by the end of 2007. The first talks will be held in March in New Delhi. After President Roh's October 2004 visit, Seoul and New Delhi had created a joint study group consisting of government, business, and academic officials, who held four rounds of talks, leading up to this agreement on CEPA. By promoting investment and economic cooperation discussions

said Park, CEPA should cover more ground than a traditional Free Trade Agreement.

¶4. (SBU) The two sides also signed a joint scientific and technological agreement and a mutual cooperation agreement on customs procedures. Park said there were broad energy discussions, but no significant agreements. Harnessing his apparent scientific background, President Kalam also proposed the establishment of a "World Knowledge Platform" and "E-business Network," to find more ways to connect the economies and business communities of India and Korea. President Kalam reportedly made similar pitches in the Philippines and Singapore as well.

¶5. (SBU) Park speculated that due to the relatively ceremonial aspect of President Kalam's office, discussions in Korea did not venture far from the economic agreements. For example, even though President Roh and Prime Minister Singh at the EAS Summit in December 2005 briefly discussed proposed U.S. nuclear technology cooperation with India, the subject was not raised during the visit last week. Park said there were no political items on the agenda and the economic talks were relatively broad, suggesting much of the work was completed prior to the visit.

¶6. (SBU) While in Korea, President Kalam's agenda on February 7 included a speech on scientific cooperation and economic exchanges at Yonsei University, lunch with the Korean Chamber of Commerce to discuss bilateral business relationships, a 45-minute meeting with President Roh, a trip to the ROK Commerce, Industry, & Commerce Ministry, and a dinner at the Blue House. On February 8, the Indian President gave a speech to the South Korean National Assembly, visited a Samsung semiconductor facility, toured the Daedook Research Zone in Daejeon, and rode the KTX bullet train from Daejeon to Seoul.

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